

Chief, Economic Research Area

2 September 1958

Chief Services Division

Soviet Trade Statistics

REF : Your Note of 27 August 1958

1. On balance, we think that the Department of Commerce trade control program should be continued. It combines advantages of timeliness, coverage, and consistent detail which are a vital support to the basic analysis and reporting programs on economic penetration and trade control and to the current reporting program undertaken by the regional sections in S/TF.
2. While the trade data published in the recent Soviet handbook do provide the most systematic treatment of Soviet trade data to date, many important aspects of Soviet trade remain obscure. There are a number of prominent omissions and apparent discrepancies in the data. For example, commodity trade tables appearing in the 1955-56 Soviet trade handbook show unexplained residuals, which in many cases amount to 15-20 percent of total Soviet exports or imports to a given country. In addition, important commodities known to have entered Soviet trade (including copper, uranium, and bauxite imports) have either been omitted entirely, or have been concealed in more general commodity categories.
3. An important advantage of the Department of Commerce reporting is that it includes the trade of all the Bloc countries with the Free World, not just that of the USSR. In addition it reports commodity trade in standardized commodity classifications, and in the same monetary units, thus permitting the combining or comparing of trade of various Bloc countries with a minimum of statistical manipulation.
4. Another advantage is that the Commerce data is reported frequently (bimonthly by value by country) so that quarterly and semi-annual values and trends can be analyzed and reported.

5. Finally, those Commerce series which have the data broken out by Western country are useful for a large number of research projects, particularly those dealing with Soviet penetration efforts and analysis of the administration and effectiveness of US and international export trade control programs directed against the Sino-Soviet Bloc.

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